

**286.3-060 Oath required of board of directors before transacting business --  
Conditions precedent to issuance of certificate to transact business.**

- (1) Before any financial institution mentioned in KRS 286.3-040 may transact any banking or trust business, it shall file a written oath with the executive director. The oath shall be taken by each director of the institution, and shall state in substance:
  - (a) That such director is a citizen of the United States, and the State of Kentucky, or, if not, the place of his residence;
  - (b) That he will faithfully discharge the duties of his office and administer the affairs of the institution, so far as the duties of his office require;
  - (c) That he will uphold the laws of the state, and particularly the banking and trust laws.
- (2) The oath shall be taken before any officer authorized to administer oaths, and shall be taken upon the election of any subsequent director or reelection of any director. The oath shall be maintained by the bank and be subject to review at examinations.
- (3) The executive director shall issue to the institution a certificate entitling it to transact the business for which it was organized after the following requirements have been met:
  - (a) The oath mentioned in subsections (1) and (2) of this section has been filed; and
  - (b) The executive director has received satisfactory proof that the accounts of the banking institution's depositors will be insured by the Federal Deposit Insurance Corporation; and
  - (c) The executive director has received satisfactory proof that the institution has subscribed and paid in the required capital and has otherwise fully complied with all pertinent laws and regulations; and
  - (d) A period of thirty (30) days has elapsed since the rendition by the executive director of a final order, as defined in KRS 13B.010, and an appeal to the appropriate court has not been taken from such order.
  - (e) If an appeal from a final order of the executive director has been timely filed, no certificate shall be issued until all the requirements of paragraphs (a) to (c) of this subsection have been met and until:
    1. The appeal has been finally disposed of by the last possible court of review, including the United States Supreme Court; or
    2. All further opportunities for appeal have expired as a result of the failure to timely file an appeal.

**Effective:** July 15, 1998

**History:** Amended 1998 Ky. Acts . 196, sec. 6, effective July 15, 1998. -- Amended 1996 Ky. Acts ch. 318, sec. 212, effective July 15, 1996. -- Amended 1984 Ky. Acts ch. 324, sec. 8, effective July 13, 1984. -- Amended 1976 Ky. Acts ch. 324, sec. 2. -- Amended 1970 Ky. Acts ch. 209, sec. 2, effective June 18, 1970. -- Amended 1946 Ky. Acts ch. 175, sec. 1. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 165a-20.

**Formerly codified as KRS 287.060.**

**Legislative Research Commission Note (7/12/2006).** In accordance with 2006 Ky. Acts ch. 247, secs. 38 and 39, this statute has been renumbered as a section of the Kentucky Financial Services Code, KRS Chapter 286, and KRS references within this statute have been adjusted to conform with the 2006 renumbering of that code.

**Legislative Research Commission Note (6/20/2005).** 2005 Ky. Acts chs. 11, 85, 95, 97, 98, 99, 123, and 181 instruct the Reviser of Statutes to correct statutory references to agencies and officers whose names have been changed in 2005 legislation confirming the reorganization of the executive branch. Such a correction has been made in this section.